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**Fugitive Spy Offered to Aid U.S.,  
 Seeking a Deal, Documents Show**

By PHILIP TAUEMAN

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WASHINGTON, July 24 — When he was apprehended last month, Edwin P. Wilson, a former American intelligence agent charged with illegally aiding Libyan terrorists, was setting out on his own to establish an elaborate, covert intelligence organization in Central America, according to documents outlining the plans.

Mr. Wilson, who was trying to strike a deal with the Government to reduce the charges pending against him, apparently hoped the White House would underwrite the intelligence operation, and designed an organization chart for "Project X" that put the National Security Council at the top.

White House officials said they were unaware of Mr. Wilson's plans and would not have provided any assistance if they had known.

**Dummy Corporations to Be Used**

The Central American operation, according to the documents, would collect information and conduct clandestine operations using dummy corporations to disguise its existence.

According to an associate of Mr. Wilson, the plans apparently represented the final step in a seven-month effort to make a deal with the Government by offering various forms of intelligence information and assistance to national security officials in the hope they would

intervene with the Justice Department on his behalf.

These offers, reflected in letters and other materials that Mr. Wilson attempted to send to William P. Clark, the President's national security adviser, included information about possible Libyan assassination attempts against President Reagan and efforts by Libya to obtain nuclear weapons technology.

**Letters Were Intercepted**

The letters were intercepted by the Justice Department and never delivered to Mr. Clark, according to sources familiar with the case.

One Federal prosecutor said in court this week that in general the information provided by Mr. Wilson was "worthless."

Even after his arrest in New York last month, Mr. Wilson continued trying to reach Mr. Clark and told an associate that he could end the conflict in Lebanon because of his close ties with Yasir Arafat, the head of the Palestine Liber-

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## Ex-C.I.A. Agent Offered Spy Data To U.S. in Hope of Making a Deal

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ation Organization. "I'm the only guy who can go in there and stop it," Mr. Wilson said, according to a tape recording of the conversation.

Mr. Wilson's attorney, Herald Price Fahringer, declined to comment about specific attempts Mr. Wilson made to get in touch with Mr. Clark, but he said that a key to Mr. Wilson's defense would be the contention that Mr. Wilson remained in touch with the Government while he was working in Libya. On Wednesday, after a court appearance on Mr. Wilson's behalf, Mr. Fahringer said his client had evidence that would "shake the C.I.A. to its foundations."

It was Mr. Wilson's eagerness to open a dialogue with the White House that led to his capture. Ernest R. Keiser, an associate of Mr. Wilson who was secretly working with the Justice Department, lured Mr. Wilson out of Libya by encouraging him to believe that he might receive a hearing from White House officials.

Mr. Wilson left his base of operations in Tripoli, the Libyan capital, in June to travel to the Dominican Republic. There, according to Justice Department officials, he planned to hold discussions and make financial arrangements for the creation of the new intelligence organization and arrange a meeting with White House officials.

Dominican authorities, who had been alerted about his arrival by the United States, put him on a plane to New York, where he was arrested on June 15. He is being held in the New York area with bail set at \$20 million.

Mr. Wilson, who worked as a covert agent for the Central Intelligence Agency from 1955 to 1970, was first indicted in 1980 on charges of illegally sending explosives to Libya as part of an operation to train Libyan terrorists. Another former C.I.A. employee, Frank E. Terpil, who was also indicted, remains a fugitive, reportedly living in Beirut, Lebanon.

In 1976, according to the Justice Department, the two men made a deal with Col. Muammar el-Qaddafi, the Libyan leader, to sell their expertise in intelligence and military matters to Libya to train terrorists.

Last week, in a separate but related case, a Federal grand jury in Houston indicted Mr. Wilson on charges of illegally shipping 20 tons of plastic explosive to Libya in 1977.

Mr. Wilson's offer to swap intelligence information for White House help in his criminal case is included in a letter he wrote to Mr. Clark on Jan. 11. Written on the stationery of OSI, S.A., a Swiss corporation run by Mr. Wilson that has headquarters in Tripoli, the letter said, in part, "I wish to acquaint you with some of my efforts in Libya taken on behalf of U.S. Government interests."

Noting that "the record" would show that he had handled work for the United States when he first went to Libya, Mr. Wilson wrote that his channels of communication with the American intelligence community were broken when Theodore G. Shackley, a senior C.I.A. official, left the intelligence agency.

### Denials From the C.I.A.

Mr. Shackley, who left the agency in 1979 to go into private business, served as the deputy director of clandestine services. He has denied knowing about Mr. Wilson's Libyan operation before it became the subject of official investigation in late 1976. The Justice Department is investigating Mr. Shackley's ties to Mr. Wilson, according to department officials.

The C.I.A. has repeatedly denied that it encouraged or sanctioned Mr. Wilson's Libyan venture.

Mr. Wilson's letter to Mr. Clark ends by saying, "Any consideration you might give my case would be deeply appreciated if it should benefit the United States."

Mr. Wilson enclosed several reports with the letter. In one, describing his efforts to prevent a Libyan assassination attempt against President Reagan, Mr. Wilson wrote:

"It was quite evident there was planned actions against President Reagan, including the possibility of his assassination by Libyan Hit Squads. I sincerely believe that as a result of my positive influence in this matter, the Libyans were content to relax their hostility."

In another report, Mr. Wilson said that he had used his influence in the Sudan to improve relations between Tripoli and Khartoum. "I believe," he wrote, "that I have dampened down a potentially explosive situation where the two countries were moving toward a confrontation."

A third report, typed under the heading "ATOMIC," described Libyan efforts to acquire the materials and technology necessary to produce nuclear weapons. Mr. Wilson reported that a Belgian arms dealer had offered to supply Libya with a nuclear reactor, weapon designs and a nuclear reprocessing plant capable of producing weapon's grade plutonium.

Mr. Wilson said he was aware of the offer because the arms dealer had asked for his help in dealing with the Libyans. Mr. Wilson reported that he concluded the plan "must be stopped." The report goes on to describe how Mr. Wilson and an associate feigned cooperation with the arms dealer to learn more about the offer, and passed on information to "appropriate authorities" in the United States.

Mr. Wilson's reports deal with actual problems, American officials said. Libyan relations with the Sudan are strained, for instance, and the United States has known for some time that Libya has been trying to obtain nuclear weapons technology. There were also reports in November, acknowledged by Mr. Reagan in December, that Libyan assassination squads planned to attack senior American officials. Mr. Wilson's report bore a January date. Intelligence officials at the time said there was no evidence that Mr. Wilson had played a role in either training assassination squads or notifying American officials of their existence.

### No Comment From Prosecutors

Federal prosecutors working on the Wilson case would not comment on the letter to Mr. Clark or the attached reports, but in general they have said that information offered by Mr. Wilson was calculated to create the appearance of cooperation but, in reality, was self-serving and of limited value.

The Government, in a motion filed in Federal court earlier this week, said prosecutors had determined that Mr. Wilson, "stopped serving his country" before 1976 and that "all of his efforts to persuade the prosecutors to the contrary were simply his way of trying to avoid prosecution."

In addition, the Government contended that information provided by Mr. Wilson about the business deals of other individuals with Libya was designed primarily to undermine his competitors.

The letter and attached reports for Mr. Clark were carried to Washington in January by Mr. Keiser following several days of meetings with Mr. Wilson in Tripoli, according to Justice Department officials.

Mr. Keiser reportedly gave the documents to the Justice Department, but they were never forwarded to the White House. Capt. Robert B. Sims, a spokesman for Mr. Clark, said a check of White House records showed that no letters or reports from Mr. Wilson had been received.

The centerpiece of Mr. Wilson's attempted rapprochement with the White House apparently was his plan for a new intelligence organization in Central America.

The plans called for the organization to be financed by the Defense Department through grants or contracts with a consulting company that Mr. Wilson would establish, according to documents that outline the project. The documents were provided by a source involved in the planning who asked not to be identified.

The documents showed that the administration of the organization was to

be centered in Washington, with operational headquarters in the Dominican Republic and field offices in Costa Rica, Guatemala, Belize and other Central American countries.

### Role of Washington Office

The Washington office, according to the plans, would handle security and communication with intelligence agencies, including the C.I.A., the National Security Agency and the Defense Intelligence Agency.

To disguise its operations, the organization would operate under the cover of several commercial enterprises, including the consulting company that would serve as a conduit for government funding, an import-export company, and corporations that would market arms and security equipment.

In addition, Mr. Wilson planned to operate agents posing as journalists. All employees would be required to take a lie detector test before they were hired, and such tests would be administered every three months after employment began.

Mr. Wilson, associates said, hoped to take advantage of the Reagan Administration's concern about growing Soviet and Cuban influence in Central America, and expected that his new organization would be used by the Government for covert operations in the region. There is no evidence that the national security officials were aware of his plans or intended to make use of his organization.

Last November, according to senior Administration officials, Mr. Reagan approved an expansion of intelligence activities in Central America. These included the covert funding of moderate political groups in Nicaragua and the formation, with several Latin nations, of a paramilitary force to interdict arms supply lines used by guerrillas in El Salvador.

When he worked for the C.I.A., Mr. Wilson specialized in setting up dummy corporations and establishing other kinds of commercial cover frequently used by intelligence agencies to shield their operations, former intelligence officials said.